

Intelligent Mail® Package Barcode Compliance General Update



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To listen to and/or view the original webinar presentation: [Click here](#)

July 19, 2016



- Intelligent Mail® Package Barcode
 - Overview and Current Status
- IMpb Quality Compliance Metrics – Implementation
 - MTAC Work Group #178 Objectives
 - Letter from Industry Associations and USPS Responses
- IMpb Compliance Quality Metrics
 - Previous Validations
 - Simplified List
- Questions

What is it?

The Intelligent Mail® Package Barcode (IM®pb) is the critical bridge between physical packages and digital information required to enable world class service and tracking for our package products.



World Class Visibility and Service



100% Visibility

- A unique tracking barcode on every package
- Full end-to-end tracking
- Tracking included for all shipping products*
- Rich digital information improves CX and performance
- Creates value!



Customer Value

- Essential to compete
- Offers transparency and predictability
- Foundation for shipping industry
- Track all volume
- More data to support customer service



Business Value

- Information about reliability
- Manage networks and logistics
- Correct problems
- Identify pinch points
- Innovation opportunities

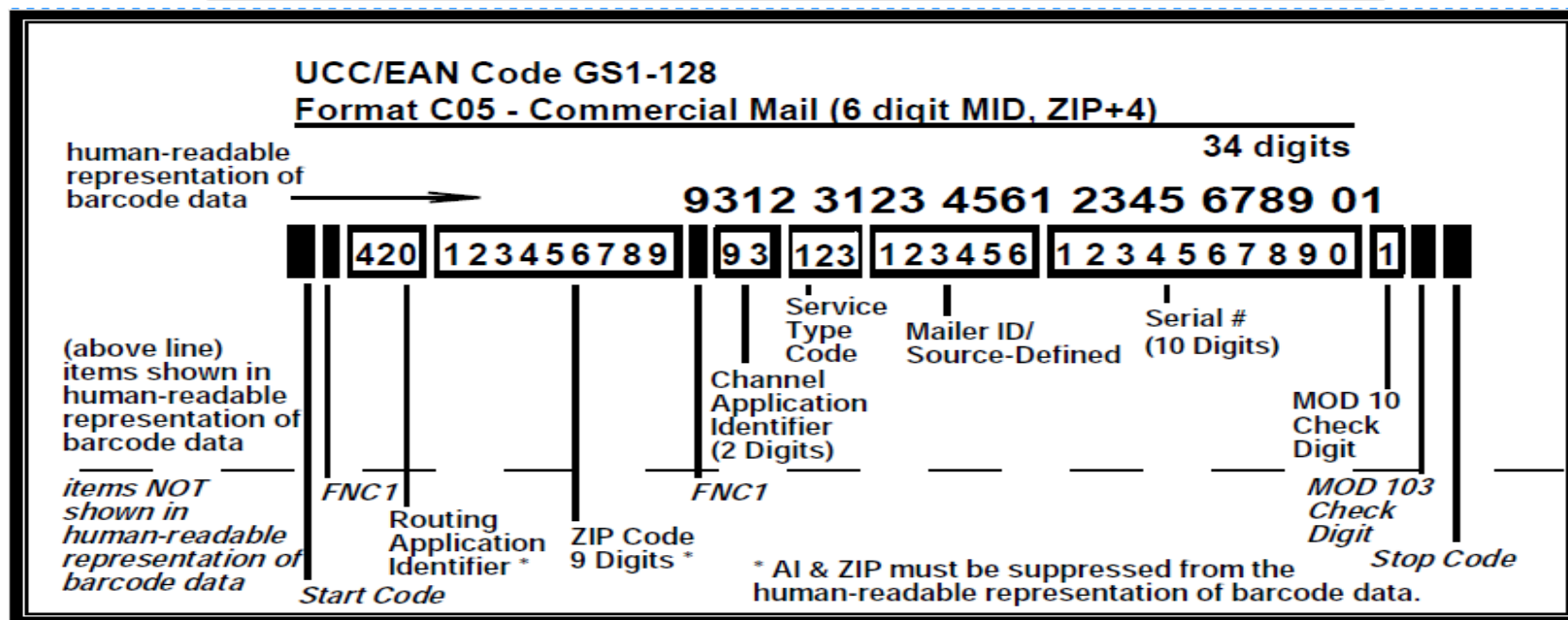
USPS Tracking is included at no additional charge for all packages except Standard Mail parcels.

What's in the barcode?

USPS TRACKING #



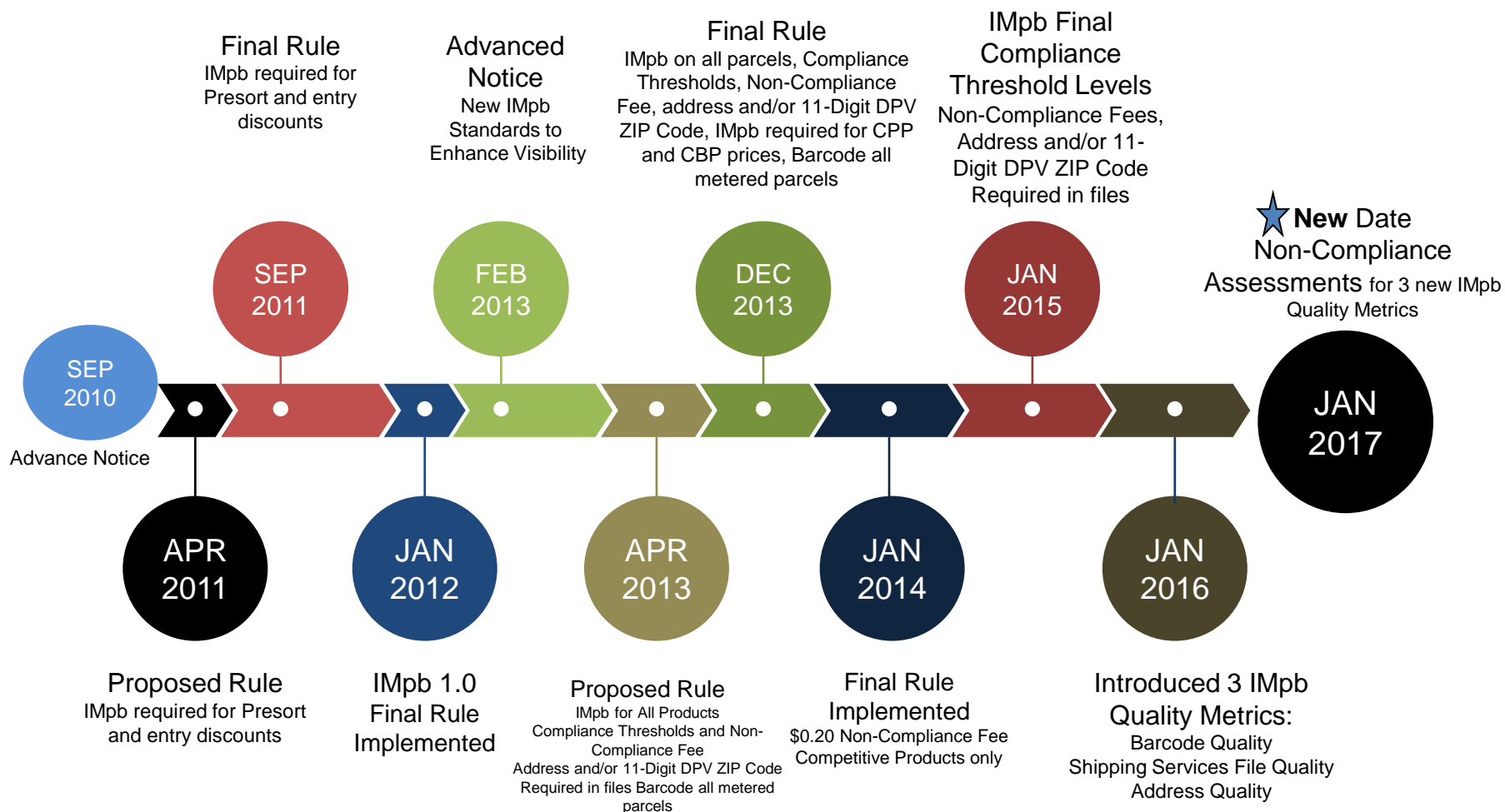
9312 3123 4561 2345 6789 01



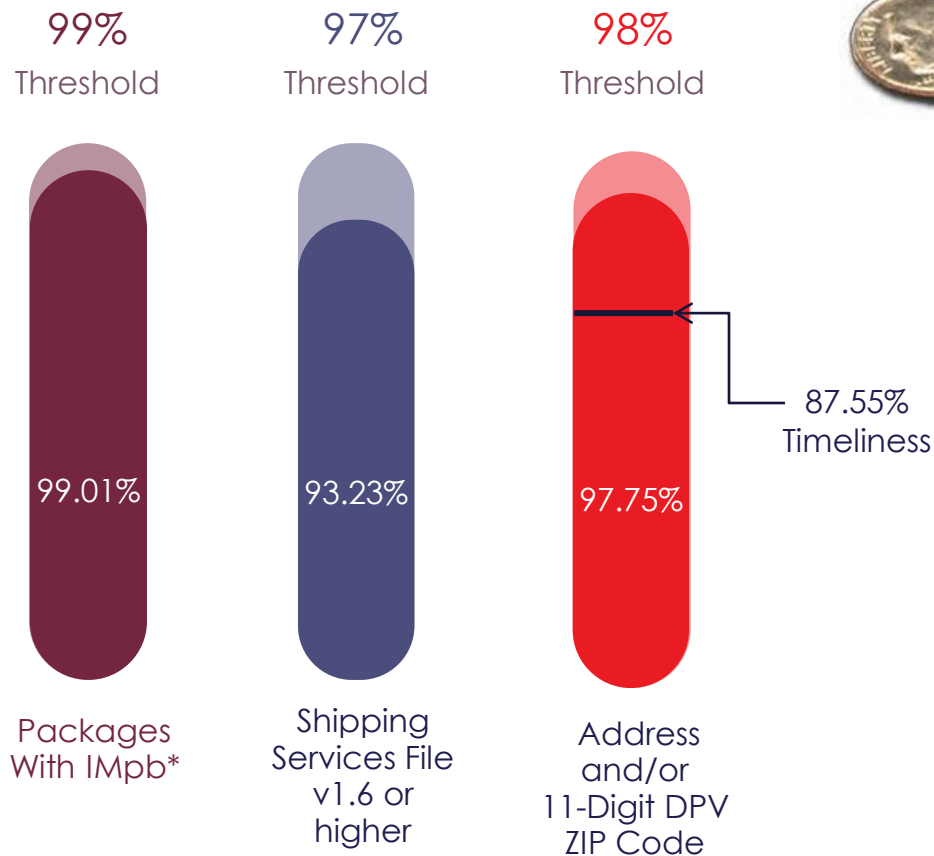
**Note: Barcode is an art image only and is not to spec or scale.*

- **Access to the best prices for package products**
- **End-to-End tracking information at no additional charge***
- **Proactively manage expectations – you and your customers know when to expect your packages to arrive**
- **Access to Priority Mail baked-in insurance up to:**
 - **\$50 for Retail and Commercial Base Pricing**
 - **\$100 for Commercial Plus customers**
 - **Note: Some restrictions apply**
- **Address information in shipping files supports efficient sorting to carrier delivery routes, using data instead human memory**
- **Three digit service type codes identify product and service**
- **Required for new products, services, features**

**Except Standard Mail parcels*



Current IMpb Compliance Metrics



Source: Product Tracking & Reporting

*Commercial parcels only

Note: Timeliness not factored into performance

Address and 11-Digit ZIP Code Delivery Point Validation

- Use USPS Address product to validate address and 11-digit DPV for accuracy
- Validated address/11-digit DPV ZIP Code compliance threshold supplants current addressing requirements
- Recipient name required in Shipping Service File for all Signature Services, strongly encouraged for all products
- Phone number and email address strongly recommended
- Transition period through January 2017

Address and 11-Digit ZIP Code Delivery Point Validation

Fields Impacted:

- Destination ZIP Code
- Destination ZIP+4
- Destination Delivery Point
- Delivery Address
- City Name
- State

DPV Footnotes

AA - ZIP+4 MATCHED

A1 - ZIP+4 NOT MATCHED

BB - HSA_DPV confirmed entire address

CC - HSA_DPV confirmed address by dropping secondary information

F1 - MILITARY MATCH

G1 - GENERAL DELIVER MATCH

N1 - HSA_DPV confirmed a hi-rise address w/o secondary information

M1 - PRIMARY NUMBER MISSING

M3 - PRIMARY NUMBER INVALID

P1 - BOX NUMBER MISSING

P3 - BOX NUMBER INVALID

RR - HSC_DPV confirmed address with PMB information

R1 - HSC_DPV confirmed address without PMB information

U1 - UNIQUE ZIP CODE MATCH

Barcode Quality

- Barcode uniqueness
- Readability
 - Scannable
 - Includes Function 1 Codes printed in correct positions in barcode
 - Check digit correctly calculated
 - Label Placement on front address side of package
- Service Type Code accurate
 - Product
 - Service combination
 - Extra Services Code
- Mailer ID
 - Conforming
 - Registered, certified, linked to parent
 - Correct file type

Shipping Services File Data Quality

- Accurate electronic representation of package level details
- Entry location ZIP Code
- Service Type Code, barcode construct, extra services codes
- Payment information for ALL file types including correct:
 - Permit Number, Post Office of Account ZIP Code, Payment Type
 - Populate for Type 2 files
 - Postage, surcharges and fees
 - Extra Services Codes
 - Rate indicators and Zones
 - Weights and Dimensions
 - File type for MIDs used in EFN and barcodes
- Recipient, phone, email address name when required for product

Collaborative Implementation Approach

Work with Industry via MTAC Work Group #178 to simplify IMpb Compliance for Shipping Services File, Barcode, and Address Quality assessments

- Collaborate on which items to measure and thresholds
 - Highest volume and impacts
 - Straightforward
 - Low contention
 - Ensure no duplicate assessments
- Agree on compliance threshold for each IMpb Quality Metric for 2017 and 2018
 - Reasonable and achievable
- IMpb Compliance Quality assessments begin **January 2017**



Agreement between Industry and USPS on specific items that will be included in IMpb Compliance Quality assessments and the respective threshold for each quality category: Address Quality (AQ), IMpb Barcode Quality (BQ) and Shipping Services File Quality (MQ).

Objective 1 A measurement approach that prevents duplicate penalties or fees.

Objective 2 Transparency and visibility into how compliance is measured and fees are assessed through the payment systems.

Objective 3 A simplified list of validations that focus on the most impactful items and minimize reconciliation issues.

Objective 4 Achievable compliance thresholds in 2017 and 2018.



May 27, 2016 letter to USPS from Industry Associations

Concerns:

- Two month timeline is not sufficient to complete
 - Need more time to review or understand what is causing issues
 - Develop plans for best addressing
- Industry needs more examples of data failures
 - Based on final (quality) criteria selected by work group - assessable vs. warning
- Address quality threshold within IMpb compliance that is reasonable and achievable
 - Aligned with letters and flats standards

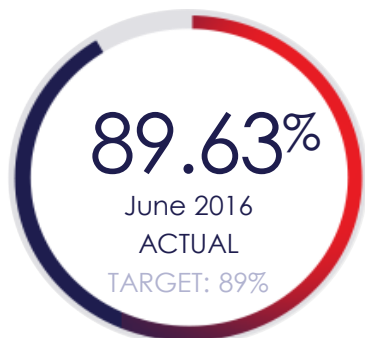


Requests:

- ✓ Work Group #178 continue beyond currently scheduled June 15, 2016 completion date – **Approved** through August 31, 2016
- ✓ Extend IMpb compliance thresholds from July 2016 to January 2017
- ✓ Delay assessments – Deferred until January 2017

Overview

Address Quality

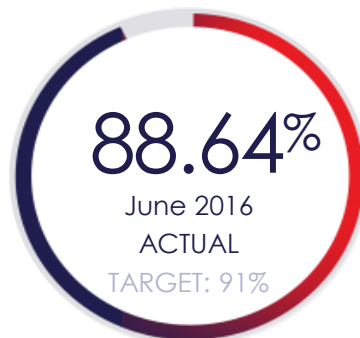


Measures percent of addresses* with enough information to validate to the unique exact 11-digit DPV ZIP Code when matched against the AMS Database.

Benefits:

- Operational efficiency
- Enables personalized features such as My USPS
- Avoids operational costs (Manual scheme lookup/PRES Keying)
- Improves deliverability

Shipping Services File Quality

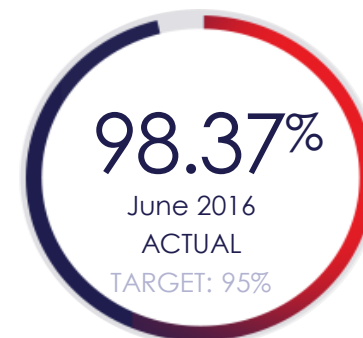


Measures percent of manifest records that pass key package level detail validations mitigating potential errors when processed in the PTR Database.

Benefits:

- Supports timely postage payment and revenue assurance
- Enhances tracking and customer experience
- Provides digital awareness of packages that will be delivered by USPS
- Facilitates better workload planning
- Eliminates need for manual counts
- Enables better analytics, insights, decisions

Barcode Quality



Measures percent of tracking numbers that pass key validations for format and uniqueness* without errors or warnings when manifests are processed in the PTR Database and physically scanned.

Benefits:

- Critical for visibility and the customer experience
- Creates the digital trail
- Supports payment and revenue assurance
- Facilitates operational efficiencies
- Foundational for current and future product offerings

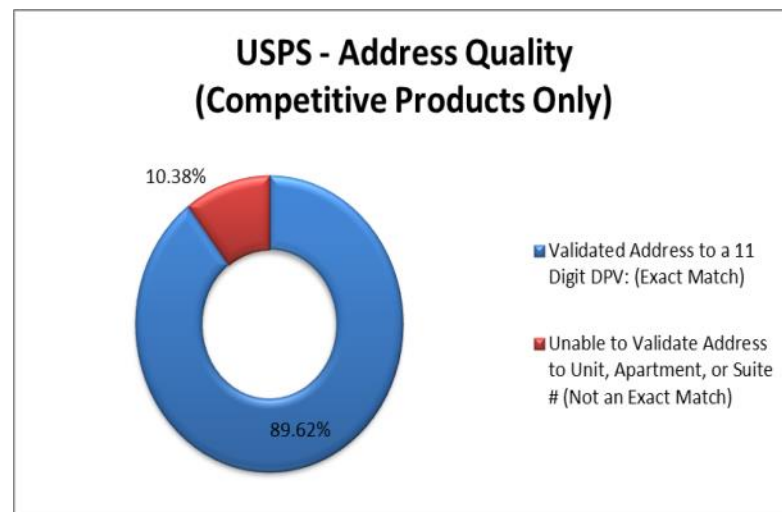
Performance and Targets for Competitive Products Only



Competitive Products Only (All AQ Validations)

(Excludes Market Dominant, International, Retail Packages, and Certified Mail)

Competitive Products		
DPV Confirmation (AQ Indicators)		
Description	Percent	Indicator
Validated Address to a 11 Digit DPV: (Exact Match)	89.62%	Address Compliance
Unable to Validate Address to Unit, Apartment, or Suite # (Not an Exact Match)	10.38%	AQ (Non-Compliant)
Total Volume	100.00%	



Competitive Products			
Class of Mail	% of Exact Address Match for CoM	% of Not An Exact Address Match for CoM	% of CoM by Total Volume
Parcel Select Lightweight	92.18%	7.82%	33.67%
Parcel Select	91.10%	8.90%	28.04%
First Class Package Service	87.54%	12.46%	21.66%
Priority Mail	84.51%	15.49%	16.39%
Priority Mail Express	91.45%	8.55%	0.19%
USPS Retail Ground	92.13%	7.87%	0.05%
Grand Total	89.62%	10.38%	100.00%

Source: Product Tracking & Reporting

Address Quality (AQ) – 4 Validation Combinations

DPV Footnotes	March 2016 Volume	% of Total Volume
Missing Secondary Information (i.e., no Apartment or Suite Number)	12,367,412	4.18%*
Missing Street Number	5,845,399	1.97%
Unable to Match Address to a ZIP+4 Code	5,575,827	1.88%
Invalid Primary Street Number	1,292,251	0.44%

Manifest Quality (MQ) – 4 Validation Combinations

PTR Warning #	PTR Error/Warning Message	March 2016 Volume	% of Total Volume	PTR Indicator
1	MQ Entry Facility Mismatch - Entry Facility Does Not Match Manifest File	5,780,071	1.95%	MQ
136	Invalid PO of account Zip Code	5,857,555	1.98%	MQ
193	Invalid Method of Payment	2,797,533	0.94%	MQ
1535	Invalid Payment account number	5,735,548	1.94%	MQ

Barcode Quality (BQ) – 2 Validation Combinations*

PTR Warning #	PTR Error/Warning Message	PTR Indicator	March 2016 Volume	% of Volume
66	Duplicate Tracking Numbers on Multiple Packages	BQ	1,522,889	0.51%
50	Invalid MID in PIC	BQ	2,372,063	0.80%

Consensus

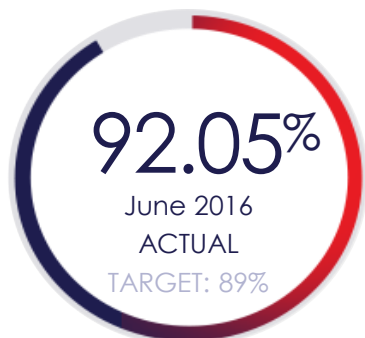
In Discussion

*Evaluating operational impacts.

- All other IMpb Quality Compliance validations were turned off on 7/1
- Except the following warnings which will be removed in PTR Release 10.0:
 - #2: BQ-Duplicate Label Event
 - #3: BQ-Keyed Tracking Label
- Secondary information address quality measurement – will still reflect issue with 00 DPC until PTR Release 9.0

Overview

Address Quality

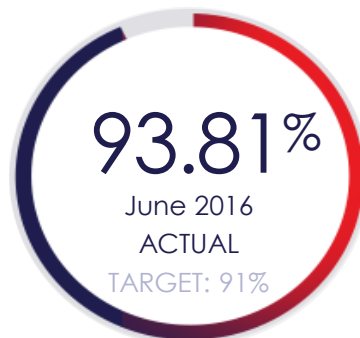


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Shipping Services File Quality

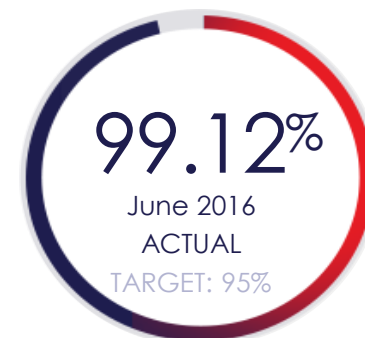


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IMpb Quality Target Thresholds Competitive Products* Only

		Actual Performance						Target Threshold	
IMpb Quality Compliance Category		Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016	Jan 2017	Jan 2018
Destination Delivery Address (AQ)	All 15 Criteria	90.63%	88.87%	88.91%	89.22%	89.39%	89.63%	89%	TBD
	Top 4 AQ	92.70%	90.65%	91.18%	91.40%	91.51%	92.05%		
	Difference	+2.07%	+1.78%	+2.27%	+2.18%	+2.12%	+2.42%		
Shipping Services File (MQ)	All 40 Criteria	92.90%	91.37%	92.98%	91.78%	91.10%	88.64%	91%	94%
	Top 4 MQ	96.15%	94.88%	95.13%	95.88%	94.25%	93.81%		
	Difference	+3.25%	+3.51%	+2.15%	+4.1%	+3.15%	+5.17%		
IMpb Barcode (BQ)	All 14 Criteria	93.87%	95.28%	97.53%	98.36%	98.33%	98.37%	95%	98%
	Top 2 BQ	94.74%	96.04%	98.69%	99.05%	98.89%	99.12%		
	Difference	+0.87%	+0.76%	+1.16%	+0.69%	+0.56%	+0.75%		

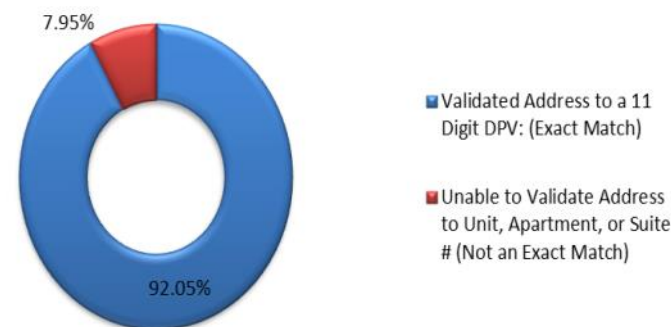


Competitive Products Only (4 AQ Validations)

(Excludes Market Dominant, International, Retail Packages, and Certified Mail)

Competitive Products		
DPV Confirmation (AQ Indicators)		
Description	Percent	Indicator
Validated Address to a 11 Digit DPV: (Exact Match)	92.05%	Address Compliance
Unable to Validate Address to Unit, Apartment, or Suite # (Not an Exact Match)	7.95%	AQ (Non-Compliant)
Total Volume	100.00%	

**USPS - Address Quality
(Competitive Products Only)**



Competitive Products			
Class of Mail	% of Exact Address Match for CoM	% of Not An Exact Address Match for CoM	% of CoM by Total Volume
Parcel Select Lightweight	93.26%	6.74%	33.67%
Parcel Select	92.32%	7.68%	28.04%
First Class Package Service	92.09%	7.91%	21.66%
Priority Mail	89.02%	10.98%	16.39%
Priority Mail Express	91.91%	8.09%	0.19%
USPS Retail Ground	95.84%	4.16%	0.05%
Grand Total	92.05%	7.95%	100.00%

Source: Product Tracking & Reporting



Competitive Products Only

(Excludes Market Dominant, International, Retail Packages, and Certified Mail)

January 2017 BQ Target Threshold: 95%

USPS - Total Volume

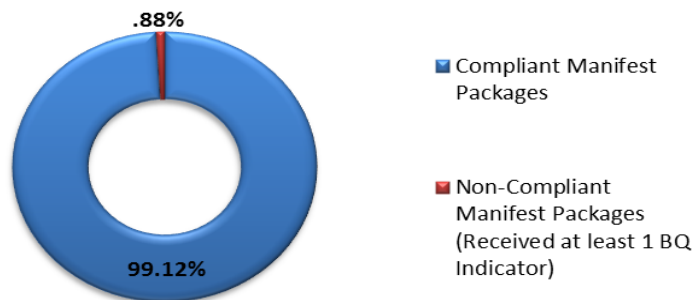
Description	Findings
Percent of Manifest: BQ Compliant	99.12%
Percent of Manifest: BQ Non-Compliant	0.88%

January 2017 MQ Target Threshold: 91%

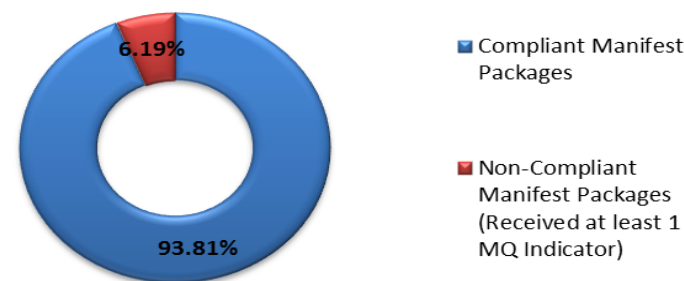
USPS - Total Volume

Description	Findings
Percent of Manifest: MQ Compliant	93.81%
Percent of Manifest: MQ Non-Compliant	6.19%

BQ Compliance Overview - June 2016



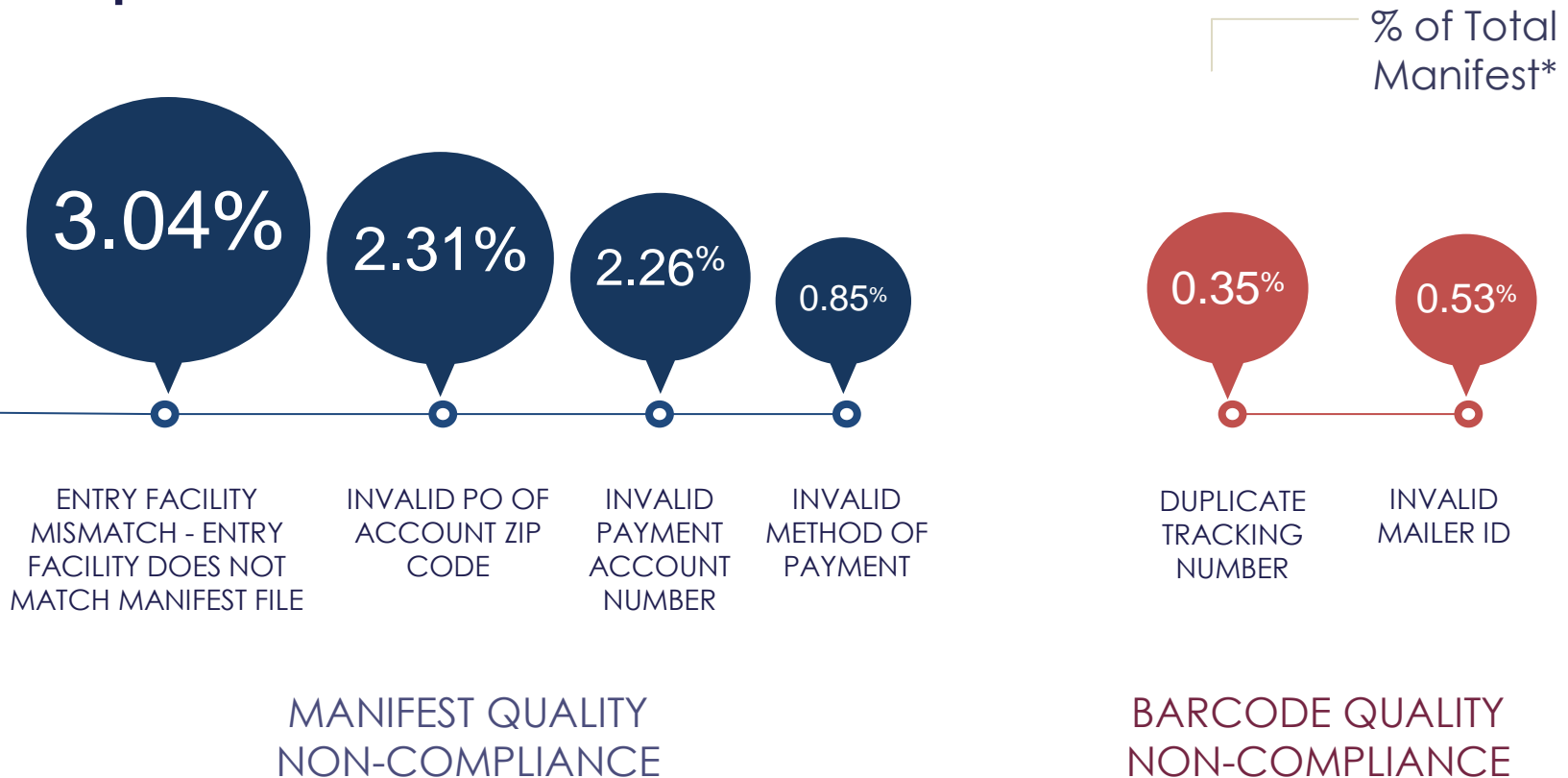
MQ Compliance Overview - June 2016



Performance reflects:

- Incorrect Entry Facility Zip Code (MQ) – Identified when first physical scan does not match the Entry Facility Zip Code provided in the Manifest Header Record
- Manually Key Barcode (BQ) Identified when tracking barcode requires manual keying into the handheld scanner.
- Duplicate Label Event 46 (BQ) – Identified when a package is scanned with this event to indicate a duplicate label.

Top 6 Issues June 2016



*Competitive Products Only

Communicating IMpb Quality Compliance requirements and performance through webinars, local outreach, and individual meetings with customers

- Continue sharing IMpb Quality summary reports and holding individual meetings with larger customers
 - Review performance
 - Identify improvement opportunities
- Monthly IMpb Quality customer educational webinars
 - Smaller customers, infrequent shippers
 - IMpb Quality Deep Dives
- MicroStrategy Reports available from BMEU employees
- IMpb Compliance Reports for Non-eVS Users coming August 2016
 - Accessible via Business Customer Gateway
- Leverage Marketing Managers at Areas and Districts



- Continuing to work with Industry
- Extending MTAC Work Group #178 through August 31, 2016
- MTAC Work Group #178 Resolution Statement submitted by August 31, 2016
- Deferring assessments until January 2017

Send any question to IMpb@usps.gov

Topic	Date	Time*
✓ IMpb Compliance Quality Metrics – Overview	Thursday, March 17, 2016	11:30 AM - 12:30 PM
✓ IMpb Quality Reports	Tuesday, March 29, 2016	11:00 AM -12:00 PM
✓ IMpb Compliance Deep Drive – Barcode Quality	Tuesday, April 12, 2016	11:00 AM -12:00 PM
✓ IMpb Compliance Deep Drive – Address Quality	Tuesday, April 26, 2016	11:00 AM -12:00 PM
✓ IMpb Compliance Deep Drive – Manifest Quality (SFF)	Thursday , May 12, 2016	11:00 AM -12:00 PM
✓ IMpb Compliance Deep Drive – Scan Event Extract File and IMpb ACS	Tuesday, May 24, 2016	11:00 AM -12:00 PM
✓ IMpb Quality – Certification Process	Tuesday, June 07, 2016	11:00 AM -12:00 PM
✓ IMpb Quality – Electronic Verification System (eVS)	Tuesday, June 21, 2016	11:00 AM -12:00 PM
✓ IMpb Compliance General Update	Tuesday, July 19, 2016	11:00 AM -12:00 PM
IMpb Compliance Work Group #178 Recommendations	Tuesday, August 09, 2016	11:00 AM -12:00 PM
IMpb Compliance Implementation Plan	Tuesday, September 13, 2016	11:00 AM -12:00 PM
IMpb Compliance Quality Metrics – Recap	Tuesday, October 04, 2016	11:00 AM -12:00 PM

*Eastern Time Zone

